### 110TH CONGRESS 1ST SESSION

# H. CON. RES. 109

Establishing the congressional budget for the United States Government for fiscal year 2008 and setting forth appropriate budgetary levels for fiscal years 2009 through 2012.

### IN THE HOUSE OF REPRESENTATIVES

March 29, 2007

Mr. Ryan of Wisconsin submitted the following concurrent resolution; which was referred to the Committee on the Budget

# **CONCURRENT RESOLUTION**

Establishing the congressional budget for the United States Government for fiscal year 2008 and setting forth appropriate budgetary levels for fiscal years 2009 through 2012.

- 1 Resolved by the House of Representatives (the Senate
- 2 concurring),
- 3 SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET
- 4 FOR FISCAL YEAR 2008.
- 5 (a) Declaration.—The Congress declares that the
- 6 concurrent resolution on the budget for fiscal year 2008
- 7 is hereby established and that the appropriate budgetary
- 8 levels for fiscal years 2009 through 2012 are set forth.

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Sec. 1. Concurrent resolution on the budget for fiscal year 2008.

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3

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- Sec. 1001. Sense of the House regarding the importance of child support enforcement.
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- Sec. 1004. Sense of the House on the Internal Revenue Code of 1986.

# 1 TITLE I—RECOMMENDED

# 2 LEVELS AND AMOUNTS

# Subtitle A—Recommended Levels

## 4 and Amounts

- 5 SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.
- 6 The following budgetary levels are appropriate for
- 7 each of fiscal years 2008 through 2012:
- 8 (1) Federal revenues.—For purposes of the
- 9 enforcement of this resolution:
- 10 (A) The recommended levels of Federal
- 11 revenues are as follows:
- 12 Fiscal year 2008: \$2,002,088,000,000.
- Fiscal year 2009: \$2,097,634,000,000.

1	Fiscal year 2010: \$2,148,718,000,000.
2	Fiscal year 2011: \$2,244,002,000,000.
3	Fiscal year 2012: \$2,374,337,000,000.
4	(B) The amounts by which the aggregate
5	levels of Federal revenues should be decreased
6	are as follows:
7	Fiscal year 2008: \$48,912,000,000.
8	Fiscal year 2009: \$9,366,000,000.
9	Fiscal year 2010: \$15,282,000,000.
10	Fiscal year 2011: \$150,998,000,000.
11	Fiscal year 2012: \$222,663,000,000.
12	(2) New Budget Authority.—For purposes
13	of the enforcement of this resolution, the appropriate
14	levels of total new budget authority are as follows:
15	Fiscal year 2008: \$2,452,253,000,000.
16	Fiscal year 2009: \$2,432,323,000,000.
17	Fiscal year 2010: \$2,464,843,000,000.
18	Fiscal year 2011: \$2,575,993,000,000.
19	Fiscal year 2012: \$2,613,919,000,000.
20	(3) BUDGET OUTLAYS.—For purposes of the
21	enforcement of this resolution, the appropriate levels
22	of total budget outlays are as follows:
23	Fiscal year 2008: \$2,427,922,000,000.
24	Fiscal year 2009: \$2,484,251,000,000.
25	Fiscal year 2010: \$2,468,400,000,000.

1 Fiscal year 2011: \$2,529,608,000,000. 2 Fiscal year 2012: \$2,530,737,000,000. 3 (4) Deficits (on-budget).—For purposes of 4 the enforcement of this resolution, the amounts of 5 the deficits (on-budget) are as follows: 6 Fiscal year 2008: \$425,834,000,000. 7 Fiscal year 2009: \$386,617,000,000. 8 Fiscal year 2010: \$319,682,000,000. 9 Fiscal year 2011: \$285,609,000,000. 10 Fiscal year 2012: \$156,400,000,000. 11 (5) Debt subject to limit.—Pursuant to 12 section 301(a)(5) of the Congressional Budget Act 13 of 1974, the appropriate levels of the public debt are 14 as follows: 15 Fiscal year 2008: \$9,476,349,000,000. 16 Fiscal year 2009: \$9,979,952,000,000. 17 Fiscal year 2010: \$10,418,522,000,000. 18 Fiscal year 2011: \$10,820,002,000,000. 19 Fiscal year 2012: \$11,105,786,000,000. 20 (6) Debt Held by the Public.—The appro-21 priate levels of debt held by the public are as follows: 22 Fiscal year 2008: \$5,284,759,000,000. 23 Fiscal year 2009: \$5,467,610,000,000. 24 Fiscal year 2010: \$5,570,986,000,000. 25 Fiscal year 2011: \$5,624,371,000,000.

1	Fiscal year 2012: \$5,537,610,000,000.
2	Subtitle B—Major Functional
3	Categories
4	SEC. 111. PRINCIPLE FEDERAL ACTIVITIES.
5	The Congress determines and declares that the ap-
6	propriate levels of new discretionary and mandatory budg-
7	et authority and outlays for the Federal Government's
8	principle Federal activities for fiscal years 2008 through
9	2012 are as follows:
10	(1) National Defense (050):
11	Fiscal year 2008:
12	(A) New budget authority,
13	\$648,770,000,000.
14	(B) Outlays, \$617,792,000,000.
15	Fiscal year 2009:
16	(A) New budget authority,
17	\$584,705,000,000.
18	(B) Outlays, \$626,892,000,000.
19	Fiscal year 2010:
20	(A) New budget authority,
21	\$550,790,000,000.
22	(B) Outlays, \$561,384,000,000.
23	Fiscal year 2011:
24	(A) New budget authority,
25	\$564,117,000,000.

1	(B) Outlays, \$536,057,000,000.
2	Fiscal year 2012:
3	(A) New budget authority,
4	\$579,375,000,000.
5	(B) Outlays, \$525,407,000,000.
6	(2) International Affairs (150):
7	Fiscal year 2008:
8	(A) New budget authority,
9	\$31,989,000,000.
10	(B) Outlays, \$31,637,000,000.
11	Fiscal year 2009:
12	(A) New budget authority,
13	\$32,387,000,000.
14	(B) Outlays, \$30,263,000,000.
15	Fiscal year 2010:
16	(A) New budget authority,
17	\$32,199,000,000.
18	(B) Outlays, \$29,873,000,000.
19	Fiscal year 2011:
20	(A) New budget authority,
21	\$32,268,000,000.
22	(B) Outlays, \$29,679,000,000.
23	Fiscal year 2012:
24	(A) New budget authority,
25	\$32,336,000,000.

1	(B) Outlays, \$29,774,000,000.
2	(3) Veterans Benefits and Services (700):
3	Fiscal year 2008:
4	(A) New budget authority,
5	\$84,493,000,000.
6	(B) Outlays, \$84,512,000,000.
7	Fiscal year 2009:
8	(A) New budget authority,
9	\$89,019,000,000.
10	(B) Outlays, \$89,033,000,000.
11	Fiscal year 2010:
12	(A) New budget authority,
13	\$92,397,000,000.
14	(B) Outlays, \$90,798,000,000.
15	Fiscal year 2011:
16	(A) New budget authority,
17	\$98,286,000,000.
18	(B) Outlays, \$96,779,000,000.
19	Fiscal year 2012:
20	(A) New budget authority,
21	\$96,528,000,000.
22	(B) Outlays, \$94,838,000,000.
23	(4) Administration of Justice (750):
24	Fiscal year 2008:

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budget
                       (A)
                               New
 1
                                                   authority,
 2
                  $45,765,000,000.
 3
                       (B) Outlays, $46,432,000,000.
                  Fiscal year 2009:
 4
                                       budget
 5
                       (A)
                               New
                                                   authority,
                  $45,471,000,000.
 6
 7
                       (B) Outlays, $46,631,000,000.
                  Fiscal year 2010:
 8
                                       budget
 9
                               New
                       (A)
                                                   authority,
10
                  $45,742,000,000.
11
                       (B) Outlays, $46,466,000,000.
                  Fiscal year 2011:
12
                                                   authority,
13
                       (A)
                               New
                                       budget
14
                  $45,995,000,000.
15
                       (B) Outlays, $46,323,000,000.
                  Fiscal year 2012:
16
17
                               New
                       (A)
                                       budget
                                                   authority,
18
                  $46,198,000,000.
19
                       (B) Outlays, $46,166,000,000.
20
    SEC. 112. DOMESTIC DISCRETIONARY PROGRAMS.
21
        (a) Declaration.—The Congress determines and
22
    declares that the following levels are the appropriate totals
23
    of new discretionary budget authority and outlays for fed-
    erally supported domestic priorities for fiscal years 2008
25 through 2012:
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1 (1) New Budget Authority.—For purposes 2 of this resolution, the appropriate levels of new dis-3 cretionary budget authority for federally supported 4 domestic priorities are as follows: Fiscal year 2008: \$292,800,000,000. 5 6 Fiscal year 2009: \$295,564,000,000. 7 Fiscal year 2010: \$293,278,000,000. 8 Fiscal year 2011: \$293,002,000,000. 9 Fiscal year 2012: \$293,302,000,000. 10 (2) Outlays.—For purposes of this resolution, 11 the appropriate levels of outlays for federally sup-12 ported domestic priorities are as follows: 13 Fiscal year 2008: \$369,548,000,000. 14 Fiscal year 2009: \$363,600,000,000. 15 Fiscal year 2010: \$358,033,000,000. 16 Fiscal year 2011: \$351,707,000,000. 17 Fiscal year 2012: \$347,325,000,000. 18 (b) Subdivisions.—These aggregate amounts are to be subdivided by the Committee on Appropriations. 19 20 SEC. 113. MAJOR DOMESTIC ENTITLEMENTS. 21 The Congress determines and declares that the following levels are the appropriate totals of new mandatory 23 budget authority and outlays for the Federal Government's principle entitlement programs for fiscal years 2008 through 2012:

1	(1) Medicare (570 mandatory):
2	Fiscal year 2008:
3	(A) New budget authority,
4	\$374,888,000,000.
5	(B) Outlays, \$374,964,000,000.
6	Fiscal year 2009:
7	(A) New budget authority,
8	\$394,116,000,000.
9	(B) Outlays, \$393,804,000,000.
10	Fiscal year 2010:
11	(A) New budget authority,
12	\$409,473,000,000.
13	(B) Outlays, \$409,730,000,000.
14	Fiscal year 2011:
15	(A) New budget authority,
16	\$445,312,000,000.
17	(B) Outlays, \$445,359,000,000.
18	Fiscal year 2012:
19	(A) New budget authority,
20	\$431,401,000,000.
21	(B) Outlays, \$431,057,000,000.
22	(2) Medicaid (550 mandatory):
23	Fiscal year 2008:
24	(A) New budget authority,
25	\$223,389,000,000.

1	(B) Outlays, \$223,837,000,000.
2	Fiscal year 2009:
3	(A) New budget authority,
4	\$235,128,000,000.
5	(B) Outlays, \$236,849,000,000.
6	Fiscal year 2010:
7	(A) New budget authority,
8	\$249,592,000,000.
9	(B) Outlays, \$249,840,000,000.
10	Fiscal year 2011:
11	(A) New budget authority,
12	\$264,095,000,000.
13	(B) Outlays, \$265,040,000,000.
14	Fiscal year 2012:
15	(A) New budget authority,
16	\$279,920,000,000.
17	(B) Outlays, \$281,389,000,000.
18	(3) Income Security (600 mandatory):
19	Fiscal year 2008:
20	(A) New budget authority,
21	\$327,076,000,000.
22	(B) Outlays, \$325,432,000,000.
23	Fiscal year 2009:
24	(A) New budget authority,
25	\$333,545,000,000.

1	(B) Outlays, \$329,632,000,000.
2	Fiscal year 2010:
3	(A) New budget authority,
4	\$341,943,000,000.
5	(B) Outlays, \$338,354,000,000.
6	Fiscal year 2011:
7	(A) New budget authority,
8	\$355,686,000,000.
9	(B) Outlays, \$352,150,000,000.
10	Fiscal year 2012:
11	(A) New budget authority,
12	\$354,709,000,000.
13	(B) Outlays, \$351,228,000,000.
14	(4) Agriculture (350 mandatory):
15	Fiscal year 2008:
16	(A) New budget authority,
17	\$14,563,000,000.
18	(B) Outlays, \$13,624,000,000.
19	Fiscal year 2009:
20	(A) New budget authority,
21	\$14,416,000,000.
22	(B) Outlays, \$13,652,000,000.
23	Fiscal year 2010:
24	(A) New budget authority,
25	\$14,221,000,000.

1	(B) Outlays, \$13,390,000,000.
2	Fiscal year 2011:
3	(A) New budget authority,
4	\$13,735,000,000.
5	(B) Outlays, \$13,147,000,000.
6	Fiscal year 2012:
7	(A) New budget authority,
8	\$13,332,000,000.
9	(B) Outlays, \$12,916,000,000.
10	(5) Student Loans (500 mandatory):
11	Fiscal year 2008:
12	(A) New budget authority,
13	\$8,008,000,000.
14	(B) Outlays, \$5,251,000,000.
15	Fiscal year 2009:
16	(A) New budget authority,
17	\$10,664,000,000.
18	(B) Outlays, \$9,120,000,000.
19	Fiscal year 2010:
20	(A) New budget authority,
21	\$11,592,000,000.
22	(B) Outlays, \$9,761,000,000.
23	Fiscal year 2011:
24	(A) New budget authority,
25	\$10,526,000,000.

1	(B) Outlays, \$9,897,000,000.
2	Fiscal year 2012:
3	(A) New budget authority,
4	\$10,186,000,000.
5	(B) Outlays, \$8,590,000,000.
6	(6) All Other Domestic Entitlements (multiple
7	functions):
8	Fiscal year 2008:
9	(A) New budget authority,
10	\$61,736,000,000.
11	(B) Outlays, -\$3,339,000,000.
12	Fiscal year 2009:
13	(A) New budget authority,
14	\$52,175,000,000.
15	(B) Outlays, -\$4,671,000,000.
16	Fiscal year 2010:
17	(A) New budget authority,
18	\$51,657,000,000.
19	(B) Outlays, -\$4,917,000,000.
20	Fiscal year 2011:
21	(A) New budget authority,
22	\$51,215,000,000.
23	(B) Outlays, -\$5,257,000,000.
24	Fiscal year 2012:

1	(A) New budget authority,
2	\$51,223,000,000.
3	(B) Outlays, -\$4,504,000,000.
4	SEC. 114. GOVERNMENT AND FINANCIAL MANAGEMENT.
5	The Congress determines and declares that the fol-
6	lowing levels are the appropriate totals of new and discre-
7	tionary mandatory budget authority and outlays for the
8	Federal Government's operations and financial manage-
9	ment activities for fiscal years 2008 through 2012:
10	(1) General Government (800):
11	Fiscal year 2008:
12	(A) New budget authority,
13	\$17,873,000,000.
14	(B) Outlays, \$18,353,000,000.
15	Fiscal year 2009:
16	(A) New budget authority,
17	\$17,844,000,000.
18	(B) Outlays, \$18,013,000,000.
19	Fiscal year 2010:
20	(A) New budget authority,
21	\$20,270,000,000.
22	(B) Outlays, \$20,262,000,000.
23	Fiscal year 2011:
24	(A) New budget authority,
25	\$17,801,000,000.

1	(B) Outlays, \$17,649,000,000.
2	Fiscal year 2012:
3	(A) New budget authority,
4	\$18,264,000,000.
5	(B) Outlays, \$18,230,000,000.
6	(2) Net Interest (900):
7	Fiscal year 2008:
8	(A) New budget authority,
9	\$370,521,000,000.
10	(B) Outlays, \$370,421,000,000.
11	Fiscal year 2009:
12	(A) New budget authority,
13	\$388,836,000,000.
14	(B) Outlays, \$387,436,000,000.
15	Fiscal year 2010:
16	(A) New budget authority,
17	\$410,258,000,000.
18	(B) Outlays, \$405,258,000,000.
19	Fiscal year 2011:
20	(A) New budget authority,
21	\$431,411,000,000.
22	(B) Outlays, \$421,411,000,000.
23	Fiscal year 2012:
24	(A) New budget authority,
25	\$450,561,000,000.

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(B) Outlays, $434,561,000,000.
 1
 2
             (3) Allowances (920):
 3
                  Fiscal year 2008:
                       (A)
                               New
                                                   authority,
 4
                                        budget
                  $6,439,000,000.
 5
                       (B) Outlays, $5,544,000,000.
 6
                  Fiscal year 2009:
 7
                                                   authority,
 8
                       (A)
                               New
                                        budget
                  -$11,795,000,000.
 9
                       (B) Outlays, -$6,242,000,000.
10
                  Fiscal year 2010:
11
                       (A)
                                        budget
                                                   authority,
12
                               New
                  -$5,709,000,000.
13
                       (B) Outlays, -$6,972,000,000.
14
                  Fiscal year 2011:
15
                       (A)
                                        budget
                                                   authority,
16
                               New
                  -$150,000,000.
17
18
                       (B) Outlays, -$3,007,000,000.
19
                  Fiscal year 2012:
20
                       (A)
                               New
                                        budget
                                                   authority,
21
                  $4,167,000,000.
                       (B) Outlays, $1,286,000,000.
22
23
             (4) Offsetting Receipts (950):
                  Fiscal year 2008:
24
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1	(A) New budget authority,
2	-\$71,009,000,000.
3	(B) Outlays, -\$71,009,000,000.
4	Fiscal year 2009:
5	(A) New budget authority,
6	-\$66,578,000,000.
7	(B) Outlays, -\$66,587,000,000.
8	Fiscal year 2010:
9	(A) New budget authority,
10	$-\$71,\!869,\!000,\!000.$
11	(B) Outlays, -\$71,869,000,000.
12	Fiscal year 2011:
13	(A) New budget authority,
14	-\$69,623,000,000.
15	(B) Outlays, -\$69,643,000,000.
16	Fiscal year 2012:
17	(A) New budget authority,
18	-\$72,789,000,000.
19	(B) Outlays, -\$72,792,000,000.
20	TITLE II—RECONCILIATION
21	SEC. 201. RECONCILIATION IN THE HOUSE OF REPRESENT-
22	ATIVES.
23	(a) Submission to Provide for the Reform of
24	Mandatory Spending.—(1) Not later than June 8,
25	2007, the House committees named in paragraph (2) shall

- 1 submit their recommendations to the House Committee on
- 2 the Budget. After receiving those recommendations, the
- 3 House Committee on the Budget shall report to the House
- 4 a reconciliation bill carrying out all such recommendations
- 5 without substantive revision.
- 6 (2) Instructions.—
- 7 (A) COMMITTEE ON AGRICULTURE.—The
- 8 House Committee on Agriculture shall report
- 9 changes in laws within its jurisdiction sufficient to
- reduce direct spending by \$452,000,000 for fiscal
- 11 year 2008, \$3,277,000,000 for fiscal year 2012, and
- 12 \$9,849,000,000 for the period of fiscal years 2008
- through 2012.
- 14 (B) COMMITTEE ON ARMED SERVICES.—The
- 15 House Committee on Armed Services shall report
- 16 changes in laws within its jurisdiction sufficient to
- 17 reduce direct spending by \$50,000,000 for fiscal
- 18 year 2008, \$100,000,000 for fiscal year 2012, and
- 19 \$410,000,000 for the period of fiscal years 2008
- through 2012.
- 21 (C) COMMITTEE ON EDUCATION AND LABOR.—
- The House Committee on Education and Labor shall
- report changes in laws within its jurisdiction suffi-
- cient to reduce direct spending by \$3,456,000,000
- 25 for fiscal year 2008, \$400,000,000 for fiscal year

- 2012, and \$4,906,000,000 for the period of fiscal
   years 2008 through 2012.
- 3 (D)COMMITTEE ON**ENERGY** AND COM-4 MERCE.—The House Committee on Energy and 5 Commerce shall report changes in laws within its ju-6 risdiction sufficient to reduce direct spending by 7 \$8,344,000,000 fiscal 2008. or year 8 \$30,602,000,000 for fiscal vear 2012, and 9 \$97,359,000,000 for the period of fiscal years 2008 10 through 2012.
  - (E) Committee on Financial Services.—
    The House Committee on Financial Services shall report changes in laws within its jurisdiction sufficient to reduce direct spending by \$0 for fiscal year 2008, \$140,000,000 for fiscal year 2012, and \$400,000,000 for the period of fiscal years 2008 through 2012.
  - (F) Committee on Foreign Affairs shall report changes in laws within its jurisdiction sufficient to reduce direct spending by \$20,000,000 for fiscal year 2008, \$90,000,000 for fiscal year 2012, and \$250,000,000 for the period of fiscal years 2008 through 2012.

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- 1 (G) COMMITTEE ON THE JUDICIARY.—The
  2 House Committee on the Judiciary shall report
  3 changes in laws within its jurisdiction sufficient to
  4 reduce direct spending by \$265,000,000 for fiscal
  5 year 2008, \$1,010,000,000 for fiscal year 2012, and
  6 \$3,515,000,000 for the period of fiscal years 2008
  7 through 2012.
  - (H) Committee on Natural Resources.—
    The House Committee on Natural Resources shall report changes in laws within its jurisdiction sufficient to reduce direct spending by \$1,507,000,000 for fiscal year 2008, \$535,000,000 for fiscal year 2012, and \$4,647,000,000 for the period of fiscal years 2008 through 2012.
    - (I) COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE.—The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction sufficient to reduce direct spending by \$460,000,000 for fiscal year 2008, \$1,063,000,000 for fiscal year 2012, and \$4,272,000,000 for the period of fiscal years 2008 through 2012.
    - (J) COMMITTEE ON WAYS AND MEANS.—The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to

- 1 reduce direct spending by \$10,109,000,000 for fiscal
- 2 year 2008, \$41,543,000,000 for fiscal year 2012,
- and \$153,122,000,000 for the period of fiscal years
- 4 2008 through 2012, sufficient to reduce revenues by
- 5 not more than \$48,912,000,000 for fiscal year 2008
- 6 and by not more than \$447,221,000,000 for the pe-
- 7 riod of fiscal years 2008 through 2012.
- 8 (b) Submission of Revised Allocations.—(1)
- 9 Upon the submission to the Committee on the Budget of
- 10 the House of a recommendation that has complied with
- 11 its reconciliation instructions solely by virtue of section
- 12 310(c) of the Congressional Budget Act of 1974, the
- 13 chairman of that committee may file with the House ap-
- 14 propriately revised allocations under section 302(a) of
- 15 such Act and revised functional levels and aggregates.
- 16 (2) Upon the submission to the House of a conference
- 17 report recommending a reconciliation bill or resolution in
- 18 which a committee has complied with its reconciliation in-
- 19 structions solely by virtue of this section, the chairman
- 20 of the Committee on the Budget of the House may file
- 21 with the House appropriately revised allocations under
- 22 section 302(a) of such Act and revised functional levels
- 23 and aggregates.
- 24 (3) Allocations and aggregates revised pursuant to
- 25 this subsection shall be considered to be allocations and

1	aggregates established by the concurrent resolution on the
2	budget pursuant to section 301 of such Act.
3	TITLE III—POLICY STATEMENTS
4	SEC. 301. POLICY OF THE UNITED STATES CONGRESS ON
5	TAXATION.
6	The United States Congress reaffirms the statement
7	of principle that the Federal Government should not raise
8	taxes on American families or reverse the policies that
9	have led to strong growth in the United States economy,
10	and instead should move towards balancing the budget by
11	reigning in the Federal Government's spending; it is fur-
12	ther the policy assumption underlying this resolution that
13	the tax relief enacted in 2001 and 2003 should be contin-
14	ued.
15	SEC. 302. POLICY OF THE UNITED STATES CONGRESS ON
16	ENTITLEMENT SPENDING.
17	(a) Findings.—
18	(1) Entitlement growth is unsustainable. Enti-
19	tlements are currently growing at 6 percent per year
20	significantly faster than our entire economy, and
21	more than twice the rate of inflation.
22	(2) Entitlements currently consume more than
23	half of the entire Federal budget. If simply left on
24	"auto-pilot" (assuming no new entitlement spending
25	or benefits):

- 1 (A) By 2040 social security, medicare, and
  2 medicaid alone will consume 20 percent of our
  3 economy.
  - (B) By 2040 Americans will have to pay twice the current rate of taxes.
  - (3) Entitlements must be reformed to survive with the retirement of the baby boomers, the situation will only get worse, making the necessary reforms more sudden and severe.
  - (4) Entitlements aren't all that's at risk. If left unreformed, these programs will also impose a crushing burden on both the budget and the economy. Our now strong economy, which has created millions of jobs and been the key factor in reducing the deficit. Entitlements will eventually crowd out all other priorities such as education, veterans, science, agriculture, environment, even defense and homeland security.
  - (5) The rising costs of government entitlements are a "fiscal cancer" that threaten "catastrophic consequences for our country" and could "bankrupt America" said America's chief accountant, U.S. Comptroller General David Walker.
- 24 (6) Without "early and meaningful action" to 25 address the rapid growth of entitlements, "the U.S.

- economy could be seriously weakened, with future generations bearing much of the cost" warned Fed Chairman Ben Bernanke.
  - (7) Spending is the problem. Massive Tax Hikes are Not the Solution. Even if taxes are raised to balance the budget in the short term, entitlements would quickly drive the Federal Government back into deficit.
  - (8) The U.S. Comptroller General testified that the United States Government "cannot grow [its] way out of this problem; eliminating earmarks will not solve the problem; wiping out fraud, waste, and abuse will not solve the problem; ending the war or cutting way back on defense will not solve the problem".
  - (9) The budget must drive entitlement reform. Entitlement programs are well-intended, and provide a critical safety net for millions of Americans, but their costs are out of control, and growing worse every year typically without regular reform or congressional oversight. Congress must use the budget process to promote reforms that will make these programs better, more efficient, and more sustainable for the long term.

- 1 (b) Policy on Entitlements.—It is the policy of
- 2 this resolution that Congress must immediately address
- 3 the out-of-control growth of entitlement spending that
- 4 may do substantial harm to the United States economy
- 5 and hurt the standard of living of future generations. Fur-
- 6 thermore, Congress must also commit itself to consider
- 7 during this fiscal year fundamental reform packages to se-
- 8 cure the long-term solvency of medicare, medicaid and so-
- 9 cial security.
- 10 SEC. 303. BONNEVILLE POWER MARKETING ADMINISTRA-
- 11 **TION.**
- 12 It is the policy of this resolution that it does not spe-
- 13 cifically assume any savings from the President's proposal
- 14 related to the Bonneville Power Marketing Administra-
- 15 tions and the Energy and Commerce Committee will deter-
- 16 mine its own policies subject to the applicable numerical
- 17 allocation limits and reconciliation directives.

# 18 TITLE IV—GENERAL BUDGET

# 19 **ENFORCEMENT**

- 20 SEC. 401. RESTRICTIONS ON ADVANCE APPROPRIATIONS.
- 21 (a) In General.—(1) In the House, except as pro-
- 22 vided in subsection (b), an advance appropriation may not
- 23 be reported in a bill or joint resolution making a general
- 24 appropriation or continuing appropriation, and may not
- 25 be in order as an amendment thereto.

- 1 (2) Managers on the part of the House may not agree
- 2 to a Senate amendment that would violate paragraph (1)
- 3 unless specific authority to agree to the amendment first
- 4 is given by the House by a separate vote with respect
- 5 thereto.
- 6 (b) ADVANCE APPROPRIATION.—In the House, an
- 7 advance appropriation may be provided for the fiscal years
- 8 2009 and 2010 for programs, projects, activities, or ac-
- 9 counts identified in the joint explanatory statement of
- 10 managers accompanying this resolution under the heading
- 11 "Accounts Identified for Advance Appropriations" in an
- 12 aggregate amount not to exceed \$23,565,000,000 in new
- 13 budget authority in each year.
- (c) Definition.—In this section, the term "advance
- 15 appropriation" means any new budget authority provided
- 16 in a bill or joint resolution making general appropriations
- 17 or any new budget authority provided in a bill or joint
- 18 resolution making continuing appropriations for fiscal
- 19 year 2008 that first becomes available for any fiscal year
- 20 after 2008.
- 21 SEC. 402. CONTINGENCY OPERATIONS RELATED TO THE
- 22 GLOBAL WAR ON TERRORISM AND FOR UN-
- 23 ANTICIPATED DEFENSE NEEDS.
- 24 (a) Exemption of Contingency Operations Re-
- 25 LATED TO THE GLOBAL WAR ON TERRORISM AND FOR

- 1 Unanticipated Defense Needs.—In the House, if any
- 2 bill or joint resolution is reported, or an amendment is
- 3 offered thereto or a conference report is filed thereon, that
- 4 makes appropriations for fiscal year 2008 for contingency
- 5 operations directly related to the global war on terrorism,
- 6 and other unanticipated defense-related operations, then
- 7 the new budget authority, new entitlement authority, out-
- 8 lays, or receipts resulting therefrom shall not count for
- 9 purposes of titles III or IV of the Congressional Budget
- 10 Act of 1974.
- 11 (b) Current Level.—Amounts included in this res-
- 12 olution for the purpose set forth in this section shall be
- 13 considered to be current law for purposes of the prepara-
- 14 tion of the current level of budget authority and outlays
- 15 and the appropriate levels shall be adjusted upon the en-
- 16 actment of such bill.
- 17 SEC. 403. APPLICATION AND EFFECT OF CHANGES IN ALLO-
- 18 CATIONS AND AGGREGATES.
- 19 (a) APPLICATION.—Any adjustments of allocations
- 20 and aggregates made pursuant to this resolution shall—
- 21 (1) apply while that measure is under consider-
- 22 ation;
- 23 (2) take effect upon the enactment of that
- 24 measure; and

1	(3) be published in the Congressional Record as
2	soon as practicable.
3	(b) Effect of Changed Allocations and Ag-
4	GREGATES.—Revised allocations and aggregates resulting
5	from these adjustments shall be considered for the pur-
6	poses of the Congressional Budget Act of 1974 as alloca-
7	tions and aggregates contained in this resolution.
8	(c) Budget Committee Determinations.—For
9	purposes of this resolution—
10	(1) the levels of new budget authority, outlays,
11	direct spending, new entitlement authority, revenues,
12	deficits, and surpluses for a fiscal year or period of
13	fiscal years shall be determined on the basis of esti-
14	mates made by the appropriate Committee on the
15	Budget; and
16	(2) such chairman may make any other nec-
17	essary adjustments to such levels to reflect the tim-
18	ing of responses to reconciliation directives pursuant
19	to section 201 of this resolution.
20	SEC. 404. ADJUSTMENTS TO REFLECT CHANGES IN CON-
21	CEPTS AND DEFINITIONS.
22	Upon the enactment of a bill or joint resolution pro-
23	viding for a change in concepts or definitions, the appro-
24	priate chairman of the Committee on the Budget shall
25	make adjustments to the levels and allocations in this res-

- 1 olution in accordance with section 251(b) of the Balanced
- 2 Budget and Emergency Deficit Control Act of 1985 (as
- 3 in effect prior to September 30, 2002).
- 4 SEC. 405. COMPLIANCE WITH SECTION 13301 OF THE BUDG-
- 5 ET ENFORCEMENT ACT OF 1990.
- 6 (a) IN GENERAL.—In the House and the Senate, not-
- 7 withstanding section 302(a)(1) of the Congressional
- 8 Budget Act of 1974 and section 13301 of the Budget En-
- 9 forcement Act of 1990, the joint explanatory statement
- 10 accompanying the conference report on any concurrent
- 11 resolution on the budget shall include in its allocation
- 12 under section 302(a) of the Congressional Budget Act of
- 13 1974 to the Committee on Appropriations amounts for the
- 14 discretionary administrative expenses of the Social Secu-
- 15 rity Administration.
- 16 (b) Special Rule.—In the House, for purposes of
- 17 applying section 302(f) of the Congressional Budget Act
- 18 of 1974, estimates of the level of total new budget author-
- 19 ity and total outlays provided by a measure shall include
- 20 any discretionary amounts provided for the Social Security
- 21 Administration.
- 22 SEC. 406. EXERCISE OF RULEMAKING POWERS.
- Congress adopts the provisions of this title—
- 24 (1) as an exercise of the rulemaking power of
- 25 the Senate and the House, respectively, and as such

- 1 they shall be considered as part of the rules of each
- 2 House, or of that House to which they specifically
- apply, and such rules shall supersede other rules
- 4 only to the extent that they are inconsistent there-
- 5 with; and
- 6 (2) with full recognition of the constitutional
- 7 right of either House to change those rules (so far
- 8 as they relate to that House) at any time, in the
- 9 same manner, and to the same extent as in the case
- of any other rule of that House.

#### 11 SEC. 407. ADJUSTMENTS FOR TAX LEGISLATION.

- 12 In the House, if the Committee on Ways and Means
- 13 reports a bill or joint resolution, or an amendment is of-
- 14 fered thereto or a conference report is submitted thereon,
- 15 that amends the Internal Revenue Code of 1986 by ex-
- 16 tending the expiration dates for Federal tax policies that
- 17 expired during fiscal year 2008 or that expire during the
- 18 period of fiscal years 2008 through 2012, then the chair-
- 19 man of the Committee on the Budget may make appro-
- 20 priate adjustments in the allocations and aggregates of
- 21 budget authority, outlays, and revenue set forth in this
- 22 resolution to reflect the budgetary effects of such legisla-
- 23 tion, but only to the extent the adjustments would not
- 24 cause the level of revenue to be less than the level of rev-
- 25 enue provided for in this resolution for the period of fiscal

- 1 years 2008 through 2012 and would not cause the deficit
- 2 to exceed the appropriate level of deficits provided for in
- 3 this resolution for the period of fiscal years 2008 through
- 4 2012.

#### 5 SEC. 408. REPEAL OF THE GEPHARDT RULE.

- 6 With respect to the adoption by the Congress of a
- 7 concurrent resolution on the budget for fiscal year 2008,
- 8 the clerk of the House shall not prepare an engrossment
- 9 of a joint resolution increasing or decreasing, as the case
- 10 may be, the statutory limit on the public debt.

#### 11 SEC. 409. BUDGET COMPLIANCE STATEMENTS.

- Each report of a committee on a public bill or public
- 13 joint resolution shall contain a budget compliance state-
- 14 ment prepared by the chairman of the Committee on the
- 15 Budget, if timely submitted prior to the filing of the re-
- 16 port, which shall include assessment by such chairman as
- 17 to whether the bill or joint resolution complies with the
- 18 requirements of sections 302, 303, 306, 311, and 401 of
- 19 the Congressional Budget Act of 1974.

### 20 SEC. 410. COST ESTIMATES FOR CONFERENCE REPORTS

- 21 AND UNREPORTED MEASURES.
- It shall not be in order to consider a conference re-
- 23 port or an unreported bill or joint resolution unless an
- 24 estimate of costs as described in clause 3(d)(2) of Rule

- 1 XIII has been printed in the Congressional Record at least
- 2 one day before its consideration.

### 3 SEC. 411. ROLL CALL VOTES FOR NEW SPENDING.

- 4 The yeas and nays shall be considered as ordered
- 5 when the Speaker puts the question on passage of a bill
- 6 or joint resolution, or on adoption of a conference report,
- 7 for which the chairman of the Budget Committee has ad-
- 8 vised the Speaker that such bill, joint resolution or con-
- 9 ference report authorizes or provides new budget authority
- 10 of not less than \$50,000,000. The Speaker may not enter-
- 11 tain a unanimous consent request or motion to suspend
- 12 this section.

#### 13 SEC. 412. BUDGET PROCESS REFORM.

- 14 Before September 30, 2007, the chairman or ranking
- 15 minority member of the Committee on the Budget of the
- 16 House of Representatives shall introduce, and the com-
- 17 mittee shall conduct hearings on, budget reform legislation
- 18 that includes the following provisions:
- 19 (1) Statutory discretionary spending limits.
- 20 (2) Provisions to slow the growth of entitlement
- 21 spending by requiring offsets for new benefits, and
- examining programs with annual increases higher
- 23 than the rate of inflation.
- 24 (3) Presidential legislative line item veto au-
- 25 thority that preserves Congress' constitutional power

- of the purse by requiring an expedited up or down vote on the President's proposals.
- 4 (4) Enforcement tools that restrict the defini-4 tion of "emergency" so that emergency supplemental 5 appropriation bills include only needs that are sud-6 den, urgent, unforeseen, unpredictable, unantici-7 pated, and temporary in nature.
  - (5) Accrual accounting of the Government's long-term obligations.
    - (6) Periodic reporting from the Government Accountability Office that examine the causes of long-term deficits and present options to reduce these deficits.
- 14 (7) Annual audit summaries from the Federal
  15 Accounting Standards Advisory Board for all depart16 ments of the Government that represent more than
  17 20 percent of discretionary spending, with rec18 ommendations on how to improve the quality of fi19 nancial information available to Congress.

### 20 SEC. 413. TREASURY DEPARTMENT STUDY AND REPORT.

- 21 (a) REQUEST.—Not later than June 1, 2007, the 22 chairman or ranking member of the Committee on the 23 Budget of the House of Representatives shall submit a re-
- 24 quest to the Secretary of the Treasury for a study of the

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- 1 impact of the current United States tort system on global
- 2 competition and gross domestic product (GDP) growth.
- 3 (b) Submission of Study.—The results of the
- 4 study described in subsection (a) shall be submitted by
- 5 the Secretary of the Treasury to the Committee on the
- 6 Budget of the House of Representatives not later than
- 7 September 30, 2007.
- 8 SEC. 414. ASSISTANCE BY FEDERAL AGENCIES TO STAND-
- 9 ING COMMITTEES OF THE SENATE AND THE
- 10 HOUSE OF REPRESENTATIVES.
- 11 (a) Information Regarding Agency Appropria-
- 12 TIONS REQUESTS.—To assist each standing committee of
- 13 the House of Representatives and the Senate in carrying
- 14 out its responsibilities, the chairman of each authorizing
- 15 committee of the House and Senate shall request the head
- 16 of each Federal agency which administers the laws or
- 17 parts of laws under the jurisdiction of such committee, to
- 18 provide to such committee such studies, information, anal-
- 19 yses, reports, and assistance.
- 20 (b) Information Regarding Agency Program
- 21 Administration.—To assist each standing committee of
- 22 the House of Representatives and the Senate in carrying
- 23 out its responsibilities, the chairman of each authorizing
- 24 committee of the House and Senate shall request of the
- 25 head of any agency under his committee's jurisdiction, to

- 1 furnish to such committee documentation, containing in-
- 2 formation received, compiled, or maintained by the agency
- 3 as part of the operation or administration of a program,
- 4 or specifically compiled pursuant to a request in support
- 5 of a review of a program, as may be requested by the
- 6 chairman and ranking minority member of such com-
- 7 mittee.
- 8 (c) Summaries by Comptroller General.—With-
- 9 in thirty days after the receipt of a request from a chair-
- 10 man and ranking minority member of a standing com-
- 11 mittee having jurisdiction over a program being reviewed
- 12 and studied by such committee under this section, the
- 13 Comptroller General of the United States shall furnish to
- 14 such committee summaries of any audits or reviews of
- 15 such program which the Comptroller General has com-
- 16 pleted during the preceding six years.
- 17 (d) Congressional Assistance.—Consistent with
- 18 their duties and functions under law, the Comptroller Gen-
- 19 eral of the United States, the Director of the Congres-
- 20 sional Budget Office, and the Director of the Congres-
- 21 sional Research Service shall continue to furnish (con-
- 22 sistent with established protocols) to each standing com-
- 23 mittee of the House of Representatives or the Senate such
- 24 information, studies, analyses, and reports as the chair-
- 25 man and ranking minority member may request to assist

1	the committee in conducting reviews and studies of pro-
2	grams under this section.
3	SEC. 415. BUDGETARY TREATMENT OF THE NATIONAL
4	FLOOD INSURANCE PROGRAM.
5	(a) Treatment.—For purposes of the allocations
6	and aggregates in this resolution, the reconciliation direc-
7	tives established by this resolution, and for any other pur-
8	pose under titles III and IV of the Congressional Budget
9	Act of 1974, the budgetary effects of any bill or joint reso-
10	lution, amendment thereto, or conference report thereon,
11	or any recommendations submitted pursuant to section
12	201 that includes the reforms set forth in subsection (b)
13	shall be scored without regard to the obligations resulting
14	from the enactment of Public Law 109–208. Such esti-
15	mate shall assume the liquidating of the National Flood
16	Insurance Fund's remaining contractual obligations re-
17	sulting from claims made as a result of floods that oc-
18	curred in 2005.
19	(b) Legislation.—The legislation referred to in
20	subsection (a) shall—
21	(1) establish more actuarially sound rates on
22	policies issued by the National Flood Insurance Pro-
23	gram; and
24	(2) end flood insurance subsidies on pre-FIRM
25	structures not used as primary residences.

# TITLE V—EMERGENCY RESERVE

2	FUND	

- 3 SEC. 501. NONDEFENSE RESERVE FUND FOR EMER-4 GENCIES.
  - (a) Nondefense Set Aside.—

- (1) DISCRETIONARY SET ASIDE FUND.—In the House and except as provided by subsection (b), if a bill or joint resolution is reported, or an amendment is offered thereto (or considered as adopted) or a conference report is filed thereon, that provides new discretionary budget authority (and outlays flowing therefrom), and such provision is designated as an emergency pursuant to this section, the chairman of the Committee on the Budget shall make adjustments to the allocations and aggregates set forth in this resolution up to the amount of such provisions if the requirements set forth in section 504 are met, but the sum of all adjustments made under this paragraph shall not exceed \$6,450,000,000 for fiscal year 2008.
  - (2) OTHER ADJUSTMENTS.—In the House, if a bill or joint resolution is reported or a conference report is filed thereon, and a direct spending or receipt provision included therein is designated as an emergency pursuant to this paragraph, the chairman of

- 1 the Committee on the Budget may make adjust-
- 2 ments to the allocations and aggregates set forth in
- 3 this resolution.
- 4 (b) Additional Adjustment Procedures.—In
- 5 the House, before any adjustment is made pursuant to
- 6 this section for any bill, joint resolution, or conference re-
- 7 port that designates a provision an emergency, the enact-
- 8 ment of which would cause the total amount of the set
- 9 aside fund set forth in subsection (a)(1) for fiscal year
- 10 2008 to be exceeded:
- 11 (1) The chairman of the Committee on the 12 Budget shall convene a meeting of that committee, 13 where it shall be in order, subject to the terms set 14 forth in this section, for one motion described in 15 paragraph (2) to be made to authorize the chairman 16 to make adjustments above the maximum amount of 17 adjustments set forth in subsection (a). If the Chair-18 man does not call such a meeting within 24 hours 19 of a committee reporting such a measure, any mem-

ber of the Committee may call such a meeting.

(2) The motion referred to in paragraph (1) shall be in the following form: "I move that the chairman of the Committee on the Budget be authorized to adjust the allocations and aggregates set forth in the concurrent resolution on the budget for

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- 1 fiscal 2008 by the following vear amount: 2 for fiscal year 2008.", with the blank 3 being filled in with amount determined by the chair-4 man of the Committee on the Budget. For any 5 measure referred to in subsection (a)(1), such 6 amount shall not exceed the total amount for fiscal 7 year 2008 designated as an emergency in excess of 8 the applicable amount remaining in the set aside 9 fund.
  - (3) The motion set forth in paragraph (2) shall be open for debate and amendment, but any amendment offered thereto is only in order if limited to changing an amount in the motion.
  - (4) Except as provided by paragraph (5), the chairman of the Committee on the Budget may not make any adjustments under subsection (a) or subsection (b) unless or until the committee filing a report or joint statement of managers on a conference report on a measure including an emergency designation fulfills the terms set forth in section 504.
  - (5) The chairman of the Committee on the Budget shall make any adjustments he deems necessary under this section if he determines the enactment of the provision or provisions designated as an emergency is essential to respond to an urgent and

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1	imminent need, the chairman determines the excep-
2	tional circumstances referred to in rule 3 of the
3	rules of the committee are met and the committee
4	cannot convene to consider the motion referred to in
5	this section in a timely fashion.
6	(c) Application of Adjustments.—The adjust-
7	ments made pursuant to subsection (a) or (b) shall—
8	(1) apply while that bill, joint resolution, con-
9	ference report or amendment is under consideration;
10	(2) take effect upon the enactment of that leg-
11	islation; and
12	(3) be published in the Congressional Record as
13	soon as practicable.
14	SEC. 502. EMERGENCY CRITERIA.
15	As used in this title:
16	(1) The term "emergency" means a situation
17	that—
18	(A) requires new budget authority and out-
19	lays (or new budget authority and the outlays
20	flowing therefrom) for the prevention or mitiga-
21	tion of, or response to, loss of life or property,
22	or a threat to national security; and
23	(B) is unanticipated.
24	(2) The term "unanticipated" means that the
25	underlying situation is—

1	(A) sudden, which means quickly coming
2	into being or not building up over time;
3	(B) urgent, which means a pressing and
4	compelling need requiring immediate action;
5	(C) unforeseen, which means not predicted
6	or anticipated as an emerging need; and
7	(D) temporary, which means not of a per-
8	manent duration.
9	SEC. 503. DEVELOPMENT OF GUIDELINES FOR APPLICA-
10	TION OF EMERGENCY DEFINITION.
11	In the House, as soon as practicable after the adop-
12	tion of this resolution, the chairman of the Committee on
13	the Budget shall, after consultation with the chairmen of
14	the applicable committees, the Ranking Member of the
15	Committee on the Budget, and the Director of the Con-
16	gressional Budget Office, prepare additional guidelines for
17	application of the definition of an emergency and shall
18	issue a committee print from the Committee on the Budg-
19	et for this purpose.
20	SEC. 504. COMMITTEE NOTIFICATION OF EMERGENCY LEG-
21	ISLATION.
22	(a) Committee Notification.—Whenever a com-
23	mittee of the House (including a committee of conference)
24	reports any bill or joint resolution that includes a provision
25	designated as an emergency pursuant to this title, the re-

- 1 port accompanying that bill or joint resolution (or the joint
- 2 explanatory statement of managers in the case of a con-
- 3 ference report on any such bill or joint resolution) shall
- 4 identify all provisions that provide amounts designated as
- 5 an emergency and shall provide an explanation of the
- 6 manner in which the provision meets the criteria set forth
- 7 in section 502.
- 8 (b) Congressional Record.—If such a measure is
- 9 to be considered by the House without being reported by
- 10 the committee of jurisdiction, then the committee shall
- 11 cause the explanation to be published in the Congressional
- 12 Record as soon as practicable.
- 13 SEC. 505. UP-TO-DATE TABULATIONS.
- 14 The Committee on the Budget of the House shall
- 15 publish in the Congressional Record up-to-date tabulations
- 16 of amounts remaining in the set aside fund set forth in
- 17 section 501, or authorized in excess thereof, as soon as
- 18 practicable after the enactment of such amounts des-
- 19 ignated as emergencies.

## 20 TITLE VI—LEGISLATIVE LINE

# 21 **ITEM VETO AUTHORITY**

- 22 SEC. 601. PRESIDENTIAL RECOMMENDATIONS.
- 23 (a) Proposed Cancellations.—If, within 45 cal-
- 24 endar days after the enactment of any bill or joint resolu-
- 25 tion providing any discretionary budget authority, item of

1	direct spending, limited tariff benefit, or targeted tax ben-
2	efit, the President proposes, in the manner provided in
3	subsection (b), the cancellation of any dollar amount of
4	such discretionary budget authority, item of direct spend-
5	ing, or targeted tax benefit, such recommendation shall
6	be introduced as a freestanding measure consistent with
7	the terms of this title and shall be eligible for the expe-
8	dited procedures set forth herein. If the 45 calendar-day
9	period expires during a period where either House of Con-
10	gress stands adjourned sine die at the end of a Congress
11	or for a period greater than 45 calendar days, the Presi-
12	dent may propose a cancellation under this section and
13	transmit a special message under subsection (b) on the
14	first calendar day of session following such a period of
15	adjournment.
16	(b) Transmittal of Special Message.—
17	(1) Special message.—
18	(A) CONTENTS OF SPECIAL MESSAGE.—
19	Each special message shall specify, with respect
20	to the discretionary budget authority, items of
21	direct spending proposed, limited tariff benefits,
22	or targeted tax benefits to be canceled—
23	(i) the dollar amount of discretionary
24	budget authority, the specific item of direct
25	spending (that OMB, after consultation

1	with CBO, estimates to increase budget
2	authority or outlays as required by section
3	1017(9)), the limited tariff benefit, or the
4	targeted tax benefit that the President pro-
5	poses be canceled;
6	(ii) any account, department, or es-
7	tablishment of the Government to which
8	such discretionary budget authority is
9	available for obligation, and the specific
10	project or governmental functions involved;
11	(iii) the reasons why such discre-
12	tionary budget authority, item of direct
13	spending, limited tariff benefit, or targeted
14	tax benefit should be canceled;
15	(iv) to the maximum extent prac-
16	ticable, the estimated fiscal, economic, and
17	budgetary effect (including the effect on
18	outlays and receipts in each fiscal year) of
19	the proposed cancellation;
20	(v) to the maximum extent prac-
21	ticable, all facts, circumstances, and con-
22	siderations relating to or bearing upon the
23	proposed cancellation and the decision to
24	propose the cancellation, and the estimated

effect of the proposed cancellation upon

1	the objects, purposes, or programs for
2	which the discretionary budget authority,
3	item of direct spending, limited tariff ben-
4	efit, or the targeted tax benefit is provided;
5	(vi) a numbered list of cancellations to
6	be included in an approval bill that, if en-
7	acted, would cancel discretionary budget
8	authority, items of direct spending, limited
9	tariff benefit, or targeted tax benefits pro-
10	posed in that special message; and
11	(vii) if the special message is trans-
12	mitted subsequent to or at the same time
13	as another special message, a detailed ex-
14	planation why the proposed cancellations
15	are not substantially similar to any other
16	proposed cancellation in such other mes-
17	sage.
18	(B) Duplicative proposals prohib-
19	ITED.—The President may not propose to can-
20	cel the same or substantially similar discre-
21	tionary budget authority, item of direct spend-
22	ing, limited tariff benefit, or targeted tax ben-
23	efit more than one time under this Act.
24	(C) MAXIMUM NUMBER OF SPECIAL MES-
25	SAGES.—The President may not transmit to the

Congress more than 5 special messages under this subsection related to any bill or joint resolution described in subsection (a), but may transmit not more than 10 special messages for any omnibus budget reconciliation or appropriation measure.

### (2) Enactment of approval bill.—

- (A) DEFICIT REDUCTION.—Amounts of budget authority, items of direct spending, limited tariff benefit, or targeted tax benefits which are canceled pursuant to enactment of a bill as provided under this section shall be dedicated only to reducing the deficit or increasing the surplus.
- (B) Adjustment of Levels in the concurrent resolution on the Budget.—Not later than 5 days after the date of enactment of an approval bill as provided under this section, the chairs of the Committees on the Budget of the Senate and the House of Representatives shall revise allocations and aggregates and other appropriate levels under the appropriate concurrent resolution on the budget to reflect the cancellation, and the applicable committees

shall report revised suballocations pursuant to section 302(b), as appropriate.

(C) Trust funds and special funds.—
Notwithstanding subparagraph (A), nothing in
this title shall be construed to require or allow
the deposit of amounts derived from a trust
fund or special fund which are canceled pursuant to enactment of a bill as provided under
this section to any other fund.

#### 10 SEC. 602. PROCEDURES IN UNITED STATES CONGRESS.

### (a) Expedited Consideration.—

(1) IN GENERAL.—The majority leader or minority leader of each House or his designee shall (by request) introduce an approval bill as defined in section 1017 not later than the third day of session of that House after the date of receipt of a special message transmitted to the Congress under section 1011(b). If the bill is not introduced as provided in the preceding sentence in either House, then, on the fourth day of session of that House after the date of receipt of the special message, any Member of that House may introduce the bill.

(2) Consideration in the house of representatives.—

(A) Referral and reporting.—Any committee of the House of Representatives to which an approval bill is referred shall report it to the House without amendment not later than the seventh legislative day after the date of its introduction. If a committee fails to report the bill within that period or the House has adopted a concurrent resolution providing for adjournment sine die at the end of a Congress, such committee shall be automatically discharged from further consideration of the bill and it shall be placed on the appropriate calendar.

(B) PROCEEDING TO CONSIDERATION.—
After an approval bill is reported by or discharged from committee or the House has adopted a concurrent resolution providing for adjournment sine die at the end of a Congress, it shall be in order to move to proceed to consider the approval bill in the House. Such a motion shall be in order only at a time designated by the Speaker in the legislative schedule within two legislative days after the day on which the proponent announces his intention to offer the motion. Such a motion shall not be in order

after the House has disposed of a motion to proceed with respect to that special message. The previous question shall be considered as ordered on the motion to its adoption without intervening motion. A motion to reconsider the vote by which the motion is disposed of shall not be in order.

- (C) Considered as read. All points of order against an approval bill and against its consideration are waived. The previous question shall be considered as ordered on an approval bill to its passage without intervening motion except five hours of debate equally divided and controlled by the proponent and an opponent and one motion to limit debate on the bill. A motion to reconsider the vote on passage of the bill shall not be in order.
- (D) Senate bill.—An approval bill received from the Senate shall not be referred to committee.

### (3) Consideration in the senate.—

(A) MOTION TO PROCEED TO CONSIDER-ATION.—A motion to proceed to the consideration of a bill under this subsection in the Sen-

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1	ate shall not be debatable. It shall not be in
2	order to move to reconsider the vote by which
3	the motion to proceed is agreed to or disagreed
4	to.
5	(B) LIMITS ON DEBATE.—Debate in the
6	Senate on a bill under this subsection, and all
7	debatable motions and appeals in connection
8	therewith (including debate pursuant to sub-
9	paragraph (D)), shall not exceed 10 hours,
10	equally divided and controlled in the usual
11	form.
12	(C) Appeals.—Debate in the Senate on
13	any debatable motion or appeal in connection
14	with a bill under this subsection shall be limited
15	to not more than 1 hour, to be equally divided
16	and controlled in the usual form.
17	(D) MOTION TO LIMIT DEBATE.—A motion
18	in the Senate to further limit debate on a bill
19	under this subsection is not debatable.
20	(E) MOTION TO RECOMMIT.—A motion to
21	recommit a bill under this subsection is not in
22	order.

(F) Consideration of the house

BILL.—

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- (i) IN GENERAL.—If the Senate has
  received the House companion bill to the
  bill introduced in the Senate prior to the
  vote required under paragraph (1)(C), then
  the Senate may consider, and the vote
  under paragraph (1)(C) may occur on, the
  House companion bill.
  - (ii) PROCEDURES AFTER VOTE ON SENATE BILL.—If the Senate votes, pursuant to paragraph (1)(C), on the bill introduced in the Senate, then immediately following that vote, or upon receipt of the House companion bill, the House bill shall be deemed to be considered, read the third time, and the vote on passage of the Senate bill shall be considered to be the vote on the bill received from the House.
- 18 (b) AMENDMENTS PROHIBITED.—No amendment to,
  19 or motion to strike a provision from, a bill considered
  20 under this section shall be in order in either the Senate
  21 or the House of Representatives.

#### 22 SEC. 603. IDENTIFICATION OF TARGETED TAX BENEFITS.

23 (a) STATEMENT.—The chairman of the Committee 24 on Ways and Means of the House of Representatives and 25 the chairman of the Committee on Finance of the Senate

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- 1 acting jointly (hereafter in this subsection referred to as
- 2 "the chairmen" shall review any revenue or reconciliation
- 3 bill or joint resolution which includes any amendment to
- 4 the Internal Revenue Code of 1986 that is being prepared
- 5 for filing by a committee of conference of the two Houses,
- 6 and shall identify whether such bill or joint resolution con-
- 7 tains any targeted tax benefits. The chairmen shall pro-
- 8 vide to the committee of conference a statement identi-
- 9 fying any such targeted tax benefits or declaring that the
- 10 bill or joint resolution does not contain any targeted tax
- 11 benefits. Any such statement shall be made available to
- 12 any Member of Congress by the chairmen immediately
- 13 upon request.
- 14 (b) STATEMENT INCLUDED IN LEGISLATION.—
- 15 (1) IN GENERAL.—Notwithstanding any other
- rule of the House of Representatives or any rule or
- precedent of the Senate, any revenue or reconcili-
- ation bill or joint resolution which includes any
- amendment to the Internal Revenue Code of 1986
- reported by a committee of conference of the two
- Houses may include, as a separate section of such
- bill or joint resolution, the information contained in
- 23 the statement of the chairmen, but only in the man-
- 24 ner set forth in paragraph (2).

1	(2) APPLICABILITY.—The separate section per-
2	mitted under subparagraph (A) shall read as follows:
3	"Section 1021 of the Congressional Budget and Im-
4	poundment Control Act of 1974 shall
5	apply to,,000,000",
6	with the blank spaces being filled in with—
7	(A) in any case in which the chairmen
8	identify targeted tax benefits in the statement
9	required under subsection (a), the word "only"
10	in the first blank space and a list of all of the
11	specific provisions of the bill or joint resolution
12	in the second blank space; or
13	(B) in any case in which the chairmen de-
14	clare that there are no targeted tax benefits in
15	the statement required under subsection (a),
16	the word "not" in the first blank space and the
17	phrase "any provision of this Act" in the sec-
18	ond blank space.
19	(e) Identification in Revenue Estimate.—With
20	respect to any revenue or reconciliation bill or joint resolu-
21	tion with respect to which the chairmen provide a state-
22	ment under subsection (a), the Joint Committee on Tax-
23	ation shall—
24	(1) in the case of a statement described in sub-
25	section (b)(2)(A), list the targeted tax benefits in

- any revenue estimate prepared by the Joint Committee on Taxation for any conference report which accompanies such bill or joint resolution, or
- 4 (2) in the case of a statement described in sec-5 tion 13(b)(2)(B), indicate in such revenue estimate 6 that no provision in such bill or joint resolution has 7 been identified as a targeted tax benefit.
- 8 (d) President's Authority.—If any revenue or 9 reconciliation bill or joint resolution is signed into law—
- 10 (1) with a separate section described in sub-11 section (b)(2), then the President may use the au-12 thority granted in this section only with respect to 13 any targeted tax benefit in that law, if any, identi-14 fied in such separate section; or
  - (2) without a separate section described in subsection (b)(2), then the President may use the authority granted in this section with respect to any targeted tax benefit in that law.

#### 19 SEC. 604. ADDITIONAL MATTERS.

20 (a) Definitions.—

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21 (1) APPROPRIATION LAW.—The term "appro-22 priation law" means an Act referred to in section 23 105 of title I, United States Code, including any 24 general or special appropriation Act, or any Act 25 making supplemental, deficiency, or continuing ap-

- propriations, that has been signed into law pursuant 1 2 to Article I, section 7, of the Constitution of the 3 United States. (2) APPROVAL BILL.—The term "approval bill" 4 5 means a bill or joint resolution which only approves 6 proposed cancellations of dollar amounts of discre-7 tionary budget authority, items of new direct spend-8 ing, limited tariff benefits, or targeted tax benefits 9 in a special message transmitted by the President 10 under this part and— 11 (A) the title of which is as follows: "A bill 12 approving the proposed cancellations transmitted by the President on ", the 13 14 blank space being filled in with the date of 15 transmission of the relevant special message 16 and the public law number to which the mes-17 sage relates; 18 (B) which does not have a preamble; and
  - (B) which does not have a preamble; and
    (C) which provides only the following after
    the enacting clause: That the Congress approves of proposed cancellations \_\_\_\_\_\_, the
    blank space being filled in with a list of the
    cancellations contained in the President's special message, as transmitted by the President in
    a special message on \_\_\_\_\_\_, the blank space

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1 being filled in with the appropriate date, regarding \_\_\_\_\_, the blank space being filled 2 3 in with the Public Law number to which the 4 special message relates; 5 (D) which only includes proposed cancella-6 tions that are estimated by CBO to meet the 7 definition of discretionary budgetary authority 8 or items of direct spending, or limited tariff 9 benefits, or that are identified as targeted tax 10 benefits pursuant to section 1014; 11 (E) if any proposed cancellation other than 12 discretionary budget authority or targeted tax 13 benefits is estimated by CBO to not meet the 14 definition of item of direct spending, then the 15 approval bill shall include at the end: The 16 President shall cease the suspension of the im-17 plementation of the following under section 18 1013 of the Legislative Line Item Veto Act of 2006: \_\_\_\_\_, the blank space being filled in 19 20 with the list of such proposed cancellations; and 21 (F) if no CBO estimate is available, then 22 the entire list of legislative provisions proposed 23 by the President is inserted in the second blank

space in subparagraph (C).

1	(3) Calendar day.—The term "calendar day"
2	means a standard 24-hour period beginning at mid-
3	night.
4	(4) CANCEL OR CANCELLATION.—The terms
5	"cancel" or "cancellation" means to prevent—
6	(A) budget authority from having legal
7	force or effect;
8	(B) in the case of entitlement authority, to
9	prevent the specific legal obligation of the
10	United States from having legal force or effect;
11	(C) in the case of the food stamp program,
12	to prevent the specific provision of law that pro-
13	vides such benefit from having legal force or ef-
14	fect;
15	(D) a limited tariff benefit from having
16	legal force or effect, and to make any necessary,
17	conforming statutory change to ensure that
18	such limited tariff benefit is not implemented;
19	or
20	(E) a targeted tax benefit from having
21	legal force or effect, and to make any necessary,
22	conforming statutory change to ensure that
23	such targeted tax benefit is not implemented
24	and that any budgetary resources are appro-
25	priately canceled.

1	(5) CBO.—The term "CBO" means the Direc-
2	tor of the Congressional Budget Office.
3	(6) Direct spending.—The term "direct
4	spending" means—
5	(A) budget authority provided by law
6	(other than an appropriation law);
7	(B) entitlement authority; and
8	(C) the food stamp program.
9	(7) Dollar amount of discretionary
10	BUDGET AUTHORITY.—(A) Except as provided in
11	subparagraph (B), the term "dollar amount of dis-
12	cretionary budget authority" means the entire dollar
13	amount of budget authority—
14	(i) specified in an appropriation law, or the
15	entire dollar amount of budget authority or ob-
16	ligation limitation required to be allocated by a
17	specific proviso in an appropriation law for
18	which a specific dollar figure was not included;
19	(ii) represented separately in any table,
20	chart, or explanatory text included in the state-
21	ment of managers or the governing committee
22	report accompanying such law;
23	(iii) required to be allocated for a specific
24	program, project, or activity in a law (other
25	than an appropriation law) that mandates the

1	expenditure of budget authority from accounts,
2	programs, projects, or activities for which budg-
3	et authority is provided in an appropriation law;
4	(iv) represented by the product of the esti-
5	mated procurement cost and the total quantity
6	of items specified in an appropriation law or in-
7	cluded in the statement of managers or the gov-
8	erning committee report accompanying such
9	law; or
10	(v) represented by the product of the esti-
11	mated procurement cost and the total quantity
12	of items required to be provided in a law (other
13	than an appropriation law) that mandates the
14	expenditure of budget authority from accounts,
15	programs, projects, or activities for which budg-
16	et authority is provided in an appropriation law.
17	(B) The term "dollar amount of discretionary
18	budget authority" does not include—
19	(i) direct spending;
20	(ii) budget authority in an appropriation
21	law which funds direct spending provided for in
22	other law;
23	(iii) any existing budget authority canceled
24	in an appropriation law; or

- 1 (iv) any restriction, condition, or limitation
  2 in an appropriation law or the accompanying
  3 statement of managers or committee reports on
  4 the expenditure of budget authority for an ac5 count, program, project, or activity, or on ac6 tivities involving such expenditure.
  - (8) ITEM OF DIRECT SPENDING.—The term "item of direct spending" means any provision of law that results in an increase in budget authority or outlays for direct spending relative to the most recent levels calculated consistent with the methodology used to calculate a baseline under section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 and included with a budget submission under section 1105(a) of title 31, United States Code, in the first year or the 5-year period for which the item is effective. However, such item does not include an extension or reauthorization of existing direct spending, but instead only refers to provisions of law that increase such direct spending.
  - (9) LIMITED TARIFF BENEFIT.—The term "limited tariff benefit" means any provision of law that modifies the Harmonized Tariff Schedule of the United States in a manner that benefits 10 or fewer entities (as defined in paragraph (12)(B)).

1	(10) OMB.—The term "OMB" means the Di-
2	rector of the Office of Management and Budget.
3	(11) Omnibus reconciliation or appropria-
4	TION MEASURE.—The term "omnibus reconciliation"
5	or "appropriation measure" means—
6	(A) in the case of a reconciliation bill, any
7	such bill that is reported to its House by the
8	Committee on the Budget; or
9	(B) in the case of an appropriation meas-
10	ure, any such measure that provides appropria-
11	tions for programs, projects, or activities falling
12	within 2 or more section 302(b) suballocations.
13	(12) Targeted tax benefit.—
14	(A) The "term targeted tax benefit" means
15	any revenue-losing provision that provides a
16	Federal tax deduction, credit, exclusion, or pref-
17	erence to ten or fewer beneficiaries (determined
18	with respect to either present law or any provi-
19	sion of which the provision is a part) under the
20	Internal Revenue Code of 1986 in any year for
21	which the provision is in effect;
22	(B) For purposes of subparagraph
23	(A).—
24	(i) all businesses and associations that
25	are members of the same controlled group

1	of corporations (as defined in section
2	1563(a) of the Internal Revenue Code of
3	1986) shall be treated as a single bene-
4	ficiary;
5	(ii) all shareholders, partners, mem-
6	bers, or beneficiaries of a corporation,
7	partnership, association, or trust or estate,
8	respectively, shall be treated as a single
9	beneficiary;
10	(iii) all employees of an employer shall
11	be treated as a single beneficiary;
12	(iv) all qualified plans of an employer
13	shall be treated as a single beneficiary;
14	(v) all beneficiaries of a qualified plan
15	shall be treated as a single beneficiary;
16	(vi) all contributors to a charitable or-
17	ganization shall be treated as a single ben-
18	eficiary;
19	(vii) all holders of the same bond
20	issue shall be treated as a single bene-
21	ficiary; and
22	(viii) if a corporation, partnership, as-
23	sociation, trust or estate is the beneficiary
24	of a provision, the shareholders of the cor-
25	poration, the partners of the partnership,

1	the members of the association, or the
2	beneficiaries of the trust or estate shall not
3	also be treated as beneficiaries of such pro-
4	vision;
5	(C) For the purpose of this paragraph, the
6	term "revenue-losing provision" means any pro-
7	vision that is estimated to result in a reduction
8	in federal tax revenues (determined with respect
9	to either present law or any provision of which
10	the provision is a part) for any one of the two
11	following periods—
12	(i) the first fiscal year for which the
13	provision is effective; or
14	(ii) the period of the 5 fiscal years be-
15	ginning with the first fiscal year for which
16	the provision is effective;
17	(D) the "term targeted tax benefit" does
18	not include any provision which applies uni-
19	formly to an entire industry; and
20	(E) the terms used in this paragraph shall
21	have the same meaning as those terms have
22	generally in the Internal Revenue Code of 1986,
23	unless otherwise expressly provided.

SEC	605	EXPIR	ATION

- This title shall have no force or effect on or after
- 3 October 1, 2012.
- 4 SEC. 606. SENSE OF CONGRESS ON DEFERRAL AUTHORITY.
- 5 It is the sense of Congress that legislation providing
- 6 the authority to temporarily defer spending on proposed
- 7 rescissions should be enacted.
- 8 SEC. 607. SENSE OF CONGRESS ON ABUSE OF PROPOSED
- 9 CANCELLATIONS.
- 10 It is the sense of Congress that no President or any
- 11 executive branch official should condition the inclusion or
- 12 exclusion or threaten to condition the inclusion or exclu-
- 13 sion of any proposed cancellation in any special message
- 14 under this title upon any vote cast or to be cast by any
- 15 Member of either House of Congress.

# 16 TITLE VII—EARMARK

# 17 TRANSPARENCY

- 18 SEC. 701. PROHIBITION ON OBLIGATION OF FUNDS FOR
- 19 EARMARKS INCLUDED ONLY IN CONGRES-
- 20 SIONAL REPORTS.
- 21 (a) REQUIREMENT THAT EARMARKS MUST BE IN
- 22 Legislative Text.—Notwithstanding any other rule of
- 23 the House, in addition to the requirements set forth in
- 24 clause 9 of rule XXI of the Rules of the House of Rep-
- 25 resentatives, it shall not be in order to consider any bill,
- 26 joint resolution, amendment thereto, or conference report

- 1 thereon, unless the list of congressional earmarks, limited
- 2 tax benefits, and limited tariff benefits, required by clause
- 3 9(a) of rule XXI are also set forth in the text of such meas-
- 4 ure.
- 5 (b) Availability on the Internet.—Notwith-
- 6 standing any other rule of the House, in addition to the
- 7 requirements set forth in clause 9 of rule XXI of the Rules
- 8 of the House of Representatives, it shall not be in order
- 9 to consider any bill, joint resolution, or conference report
- 10 thereon, unless the lists required by paragraphs (1), (2),
- 11 and (4) of clause 9 of rule XXI are made available on
- 12 the Internet in a searchable format to the general public
- 13 for at least 48 hours before consideration.

### 14 SEC. 702. DEFINITIONS.

- 15 (a) Congressional Earmark.—The term "congres-
- 16 sional earmark" means a provision or report language in-
- 17 cluded primarily at the request of a Member, Delegate,
- 18 Resident Commissioner, or Senator providing, authorizing
- 19 or recommending a specific amount of discretionary budg-
- 20 et authority, credit authority, or other spending authority
- 21 for a contract, loan, loan guarantee, grant, loan authority,
- 22 or other expenditure with or to an entity, or targeted to
- 23 a specific State, locality or Congressional district, other
- 24 than through a statutory or administrative formula-driven
- 25 or competitive award process.

### (b) Limited Benefits.—

- (1) LIMITED TARIFF BENEFIT.—The term "limited tariff benefit" means any provision of law that modifies the Harmonized Tariff Schedule of the United States in a manner that benefits 10 or fewer entities (as defined in paragraph (12)(B)).
- (2) LIMITED TAX BENEFIT.—(A) The term "limited tax benefit" means any revenue-losing provision that provides a Federal tax deduction, credit, exclusion, or preference to ten or fewer beneficiaries (determined with respect to either present law or any provision of which the provision is a part) under the Internal Revenue Code of 1986 in any year for which the provision is in effect.

### (B) For purposes of subparagraph (A)—

- (i) all businesses and associations that are members of the same controlled group of corporations (as defined in section 1563(a) of the Internal Revenue Code of 1986) shall be treated as a single beneficiary;
- (ii) all shareholders, partners, members, or beneficiaries of a corporation, partnership, association, or trust or estate, respectively, shall be treated as a single beneficiary;

1	(iii) all employees of an employer shall be
2	treated as a single beneficiary;
3	(iv) all qualified plans of an employer shall
4	be treated as a single beneficiary;
5	(v) all beneficiaries of a qualified plan shall
6	be treated as a single beneficiary;
7	(vi) all contributors to a charitable organi-
8	zation shall be treated as a single beneficiary;
9	(vii) all holders of the same bond issue
10	shall be treated as a single beneficiary; and
11	(viii) if a corporation, partnership, associa-
12	tion, trust or estate is the beneficiary of a pro-
13	vision, the shareholders of the corporation, the
14	partners of the partnership, the members of the
15	association, or the beneficiaries of the trust or
16	estate shall not also be treated as beneficiaries
17	of such provision;
18	(C) For the purpose of this paragraph, the
19	term "revenue-losing provision" means any provision
20	that is estimated to result in a reduction in federal
21	tax revenues (determined with respect to either
22	present law or any provision of which the provision
23	is a part) for any one of the two following periods—
24	(i) the first fiscal year for which the provi-
25	sion is effective: or

1	(ii) the period of the 5 fiscal years begin-
2	ning with the first fiscal year for which the pro-
3	vision is effective;
4	(D) the term "limited tax benefit" does not in-
5	clude any provision which applies uniformly to an
6	entire industry; and
7	(E) the terms used in this paragraph shall have
8	the same meaning as those terms have generally in
9	the Internal Revenue Code of 1986, unless otherwise
10	expressly provided.
11	(c) Special Rule.—Notwithstanding any other pro-
12	vision of the Rules of the House, the definitions set forth
13	in this section shall apply for congressional earmarks, lim-
	ited tariff hanafita and limited tax hanafita
14	ited tariff benefits, and limited tax benefits.
14 15	TITLE VIII—PAY-AS-YOU-GO.
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15	TITLE VIII—PAY-AS-YOU-GO.
15 16	TITLE VIII—PAY-AS-YOU-GO. SEC. 801. PAY-AS-YOU-GO POINT OF ORDER.
15 16 17	TITLE VIII—PAY-AS-YOU-GO.  SEC. 801. PAY-AS-YOU-GO POINT OF ORDER.  (a) POINT OF ORDER.—
15 16 17 18	TITLE VIII—PAY-AS-YOU-GO.  SEC. 801. PAY-AS-YOU-GO POINT OF ORDER.  (a) POINT OF ORDER.—  (1) IN GENERAL.—It shall not be in order in
15 16 17 18	TITLE VIII—PAY-AS-YOU-GO.  SEC. 801. PAY-AS-YOU-GO POINT OF ORDER.  (a) POINT OF ORDER.—  (1) IN GENERAL.—It shall not be in order in the House or the Senate to consider any direct
15 16 17 18 19	TITLE VIII—PAY-AS-YOU-GO.  SEC. 801. PAY-AS-YOU-GO POINT OF ORDER.  (a) POINT OF ORDER.—  (1) IN GENERAL.—It shall not be in order in the House or the Senate to consider any direct spending legislation, excluding the impact of any
15 16 17 18 19 20 21	TITLE VIII—PAY-AS-YOU-GO.  SEC. 801. PAY-AS-YOU-GO POINT OF ORDER.  (a) POINT OF ORDER.—  (1) IN GENERAL.—It shall not be in order in the House or the Senate to consider any direct spending legislation, excluding the impact of any revenue provisions, that would increase the on-budg-

1	(2) Applicable time periods.—For purposes
2	of this subsection, the term "applicable time period"
3	means any 1 of the 4 following periods:
4	(A) The current fiscal year.
5	(B) The budget year.
6	(C) The period of the 5 fiscal years fol-
7	lowing the current fiscal year.
8	(D) The period of the 5 fiscal years fol-
9	lowing the 5 fiscal years referred to in subpara-
10	graph (C).
11	(3) Direct spending legislation.—For pur-
12	poses of this subsection and except as provided in
13	paragraph (4), the term "direct spending legisla-
14	tion" means any bill, joint resolution, amendment,
15	motion, or conference report that affects direct
16	spending as that term is defined by, and interpreted
17	for purposes of, the Balanced Budget and Emer-
18	gency Deficit Control Act of 1985.
19	(4) Baseline.—Estimates prepared pursuant
20	to this subsection shall—
21	(A) use the most recent baseline estimates
22	supplied by the Congressional Budget Office
23	consistent with section 257 of the Balanced
24	Budget and Emergency Deficit Control Act of

- 1 1985 used in considering a concurrent resolu-2 tion on the budget; or
- 3 (B) after the beginning of a new calendar 4 year and before consideration of a concurrent 5 resolution on the budget, the most recent base-6 line estimates supplied by the Congressional 7 Budget Office consistent with section 257 of 8 the Balanced Budget and Emergency Deficit 9 Control Act of 1985.
  - (5) PRIOR SURPLUS.—If direct spending or revenue legislation increases the on-budget deficit or causes an on-budget deficit when taken individually, it must also increase the on-budget deficit or cause an on-budget deficit when taken together with all direct spending and revenue legislation enacted since the beginning of the calendar year not accounted for in the baseline under paragraph (5)(A), except that direct spending or revenue effects resulting in net deficit reduction enacted in any bill pursuant to a reconciliation instruction since the beginning of that same calendar year shall never be made available on the pay-as-you-go ledger and shall be dedicated only for deficit reduction.
- 24 (b) Determination of Budget Levels.—For 25 purposes of this section, the levels of new budget author-

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- 1 ity, outlays, and revenues for a fiscal year shall be deter-
- 2 mined on the basis of estimates made by the Committees
- 3 on the Budget.
- 4 (c) Point of Order Protection in the House.—
- 5 In the House, it shall not be in order to consider a rule
- 6 or order that waives the application of subsection (a). As
- 7 disposition of a point of order under this paragraph, the
- 8 Chair shall put the question of consideration with respect
- 9 to the rule or order that waives the application of sub-
- 10 section (a). The question of consideration shall be debat-
- 11 able for 10 minutes by the Member initiating the point
- 12 of order and for 10 minutes by an opponent, but shall
- 13 otherwise be decided without intervening motion except
- 14 one that the House adjourn.

# 15 TITLE IX—DISCRETIONARY

- 16 **SPENDING LIMITS.**
- 17 SEC. 901. DISCRETIONARY SPENDING LIMITS IN THE
- 18 HOUSE.
- 19 (a) Point of Order.—It shall not be in order in
- 20 the House to consider any bill or joint resolution, or
- 21 amendment thereto, that provides new budget authority
- 22 that would cause the discretionary spending limits to be
- 23 exceeded for any fiscal year.

1	(b) DISCRETIONARY SPENDING LIMITS.—In the
2	House and as used in this section, the term "discretionary
3	spending limit" means—
4	(1) with respect to fiscal year 2008, for the dis-
5	cretionary category: \$1,079,593,000,000 in new
6	budget authority and $$1,127,623,000,000$ in outlays;
7	(2) with respect to fiscal year 2009, for the dis-
8	cretionary category: \$1,004,865,000,000 in new
9	budget authority and $$1,121,730,000,000$ in outlays;
10	(3) with respect to fiscal year 2010, for the dis-
11	cretionary category: \$977,058,000,000 in new budg-
12	et authority and \$1,050,106,000,000 in outlays;
13	as adjusted in conformance with subsection (c).
14	(c) Adjustments.—
15	(1) In General.—
16	(A) Chairman.—After the reporting of a
17	bill or joint resolution, the offering of an
18	amendment thereto, or the submission of a con-
19	ference report thereon, the chairman of the
20	Committee on the Budget may make the ad-
21	justments set forth in subparagraph (B) for the
22	amount of new budget authority in that meas-
23	ure (if that measure meets the requirements set
24	forth in paragraph (2)) and the outlays flowing

from that budget authority. The chairman of

1	the Committee on the Budget may also make
2	appropriate adjustments for the reserve funds
3	set forth in this resolution.
4	(B) Matters to be adjusted.—The ad-
5	justments referred to in subparagraph (A) are
6	to be made to—
7	(i) the discretionary spending limits, if
8	any, set forth in the appropriate concur-
9	rent resolution on the budget;
10	(ii) the allocations made pursuant to
11	the appropriate concurrent resolution on
12	the budget pursuant to section 302(a) of
13	the Congressional Budget Act of 1974; and
14	(iii) the budgetary aggregates as set
15	forth in the appropriate concurrent resolu-
16	tion on the budget.
17	(2) Amounts of adjustments.—The adjust-
18	ment referred to in paragraph (1) shall be an
19	amount provided and designated as an emergency
20	requirement;
21	(3) Application of adjustments.—The ad-
22	justments made for legislation pursuant to para-
23	graph (1) shall—
24	(A) apply while that legislation is under
25	consideration;

1	(B) take effect upon the enactment of that
2	legislation; and
3	(C) be published in the Congressional
4	Record as soon as practicable.
5	(4) Application of this section.—The pro-
6	visions of this section shall apply to legislation pro-
7	viding new budget authority for fiscal years 2008
8	through 2010.
9	(d) Enforcement in the House of Representa-
10	TIVES.—
11	(1) WAIVER PROTECTION.—It shall not be in
12	order in the House of Representatives to consider a
13	rule or order that waives the application of this sec-
14	tion.
15	(2) Consideration in the house.—
16	(A) This subsection shall apply only to the
17	House of Representatives.
18	(B) In order to be cognizable by the Chair,
19	a point of order under this section must specify
20	the precise language on which it is premised.
21	(C) As disposition of points of order under
22	this section, the Chair shall put the question of
23	consideration with respect to the proposition
24	that is the subject of the points of order.

- (D) A question of consideration under this section shall be debatable for 10 minutes by each Member initiating a point of order and for 10 minutes by an opponent on each point of order, but shall otherwise be decided without intervening motion except one that the House adjourn or that the Committee of the Whole rise, as the case may be.
  - (E) The disposition of the question of consideration under this subsection with respect to a bill or joint resolution shall be considered also to determine the question of consideration under this subsection with respect to an amendment made in order as original text.
  - (3) Extension of spending limits.—It shall not be in order in the House of Representatives to consider a concurrent resolution on the budget as described in section 301 of the Congressional Budget Act of 1974 unless such resolution includes discretionary spending limits that are in the same amounts or less than those included in this section.

# 1 TITLE X—SENSES OF CONGRESS

2	SEC. 1001. SENSE OF THE HOUSE REGARDING THE IMPOR-
3	TANCE OF CHILD SUPPORT ENFORCEMENT.
4	It is the Sense of the House that additional legislative
5	action is needed to ensure that states have the necessary
6	resources to collect all child support that is owed to fami-
7	lies and to allow them to pass 100 percent of support on
8	to families without financial penalty. It is further the
9	Sense of the House that when 100 percent of child support
10	payments are passed on to the child, rather than adminis-
11	trative expenses, program integrity is improved and child
12	support participation increases.
13	SEC. 1002. SENSE OF THE HOUSE ON STATE VETERANS
14	CEMETERIES.
15	It is the sense of the House that the Federal Govern-
16	ment should pay the plot allowance for the internment in
17	a State veterans cemetery of any spouse or eligible child
18	of a veteran, consistent with the pay-as-you-go principle.
19	SEC. 1003. SENSE OF CONGRESS ON HEALTH INSURANCE
20	REFORM.
21	It is the sense of the Congress that legislation should
22	be considered that does the following:
23	(1) Amends the Internal Revenue Code to allow
24	individual taxpayers a refundable tax credit for

1	health insurance costs paid for the benefit of the
2	taxpayer, the taxpayer's spouse, and dependents.
3	(2) Requires business taxpayers who receive
4	payments for certain employee health insurance cov-
5	erage to file informational returns.
6	(3) Directs the Secretary of the Treasury to
7	make advance payments of health insurance tax
8	credit amounts to health insurance providers.
9	(4) Limits the tax exclusion for employer-pro-
10	vided health care coverage.
11	SEC. 1004. SENSE OF THE HOUSE ON THE INTERNAL REV
12	ENUE CODE OF 1986.
13	(a) Sense of Congress on the Termination of
14	THE INTERNAL REVENUE CODE OF 1986.—No tax shall
15	be imposed by the Internal Revenue Code of 1986—
16	(1) for any taxable year beginning after Decem-
17	ber 31, 2010; and
18	(2) in the case of any tax not imposed on the
19	basis of a taxable year, on any taxable event or for
20	any period after December 31, 2010.
21	(b) Exception.—It is further the sense of the House
22	of Representatives that legislation enacted pursuant to
23	subsection (a) shall not apply to taxes imposed by—
24	(1) chapter 2 of such Code (relating to tax or
25	self-employment income);

1	(2) chapter 21 of such Code (relating to Fed-
2	eral Insurance Contributions Act); and
3	(3) chapter 22 of such Code (relating to Rail-
4	road Retirement Tax Act).
5	(c) STRUCTURE OF A NEW FEDERAL TAX SYSTEM.—
6	Congress declares that any new Federal tax system should
7	be a simple and fair system that—
8	(1) applies a low rate to all Americans;
9	(2) provides tax relief for working Americans;
10	(3) protects the rights of taxpayers and reduces
11	tax collection abuses;
12	(4) eliminates the bias against savings and in-
13	vestment;
14	(5) promotes economic growth and job creation;
15	and
16	(6) does not penalize marriage or families.
17	(d) Timing of Implementation.—In order to en-
18	sure an easy transition and effective implementation, the
19	Congress hereby declares that any new Federal tax system
20	should be approved by Congress in its final form no later
21	than July 4 2010

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